

American Recovery and Reinvestment Act of 2009
Transportation Provision Summary
February 19, 2009

Topic	Conference Report
HIGHWAY/TRANSIT/FREIGHT/RAIL/PORTS	
	<ul style="list-style-type: none"> ○ Discretionary Program reduced to \$1.5 billion, which remains available until September 30, 2011. <ul style="list-style-type: none"> – Grant minimum is \$20 million, maximum is \$300 million – Grant minimum can waived by Secretary for small cities and regions – Awarded to State and Local Governments and transit agencies – Used for highway, transit, freight and passenger rail, and port infrastructure projects – Federal grant share can be up to 100% ○ Secretary to publish criteria for competition 90 days after enactment <ul style="list-style-type: none"> – Applications due 180 days after publishing – Projects selected 1 year after enactment – Priority to projects that require a contribution of federal funds and can be completed within 3 years of enactment ○ \$200 million reserved for TIFIA program and State Infrastructure Bank support
HIGHWAYS:	
Funding:	<ul style="list-style-type: none"> ○ \$27.5 billion total - estimate \$2.57 billion for California before suballocation ○ Discretionary Set Asides: <ul style="list-style-type: none"> – \$ 60 million for ferries – \$310 million for Indian Reservation Roads – \$170 million for Park Roads and Parkways – \$ 60 million for Forest Highways – \$ 10 million for Refuge Roads – \$150 million for distribution to US Territories – \$ 20 million for technology training – \$ 20 million for DBE bonding assistance – \$ 40 million for FHWA administrative expenses. ○ Funds remain available until September 30, 2010 ○ \$26.66 billion made available for projects eligible for funding under the Surface Transportation. Funds may also be used for: <ul style="list-style-type: none"> – Passenger and Freight Rail – Port Infrastructure ○ Formula funds apportioned to states as follows: <ul style="list-style-type: none"> – 50% according to STP State distribution formula (population, road miles, vmt) – 50% according to FFY 2008 Obligation Limitation ○ Funds will be apportioned to states within 21 days of enactment ○ Priority given to projects that can be completed in 3 years and are located in economically distressed areas as defined under the Public Works and Economic Development Act of 1965 ○ Federal share for the formula funds is up to 100 percent at the discretion of the recipient ○ Fund set aside requirement for planning purposes in the Lake Tahoe Region does not apply ○ Cannot use funds for Advance Construction ○ SAFETEA LU DBE Requirements apply [Section 1101(B) of Public Law 109-59]]
Allocation and Suballocation:	<ul style="list-style-type: none"> ○ 3 percent of the funds apportioned to each state are set aside for the purposes of the Transportation Enhancement Program

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	<ul style="list-style-type: none"> 30 percent of the funds are suballocated within each state under the population formulas of the STP program (23 USC 133(d)(3)(A), (B), and (C)).
Use It Or Lose It:	<ul style="list-style-type: none"> States have 120 days after apportionment to obligate 50% of the funds awarded (except for suballocated funds) or the unobligated balance is redistributed to other states 1 year after apportionment, the remaining unobligated balances are redistributed. Secretary can grant a waiver for 1 year if he determines that there is cause Net result – use it or lose it applies to State only
TRANSIT:	
Funding:	<ul style="list-style-type: none"> \$8.4 Billion Total (The following amounts are estimates). Estimate California share at \$1.06 billion. investments that reduce energy consumption or greenhouse gases \$6.9 billion -- Transit Capital Assistance Formula Distribution: <ul style="list-style-type: none"> \$100 million set aside for discretionary grants for transit capital \$5.40 billion apportioned to states using the 5307 program distribution formula \$675 million apportioned to states using the Growing States distribution formula \$677 million apportioned to states using the 5311 program distribution formula \$16.9 million or 2 percent of the 5311 distribution is set aside for Indian Reservation Roads Balance of funds reserved for FTA Administration \$750 million -- Fixed Guideway Infrastructure (49 USC 53090(b)(2)) <ul style="list-style-type: none"> Apportioned within 21 days of enactment \$7.5 million set aside for FTA Administration \$750 million -- Capital Investment Grants <ul style="list-style-type: none"> Discretionary grants under the New Starts and Small Starts programs Priority to projects that are either <ul style="list-style-type: none"> Under construction, or Able to obligate funds within 150 days of enactment Disadvantaged Business Enterprise requirements of SAFETEA LU apply Buy America requirement The federal share is up to 100 percent at the discretion of the recipient.
Use It Or Lose It:	<ul style="list-style-type: none"> If less than 50 percent of the funds are obligated within 180 days of apportionment, the remainder are redistributed to other states After 1 year from the date of apportionment, any unused funds are withdrawn and redistributed through the discretionary grant program described in the Highway section of the bill
RAIL:	
Funding:	<ul style="list-style-type: none"> \$9.3 billion total \$8 billion for Capital Assistance for High Speed Rail Corridors and Intercity Rail – funds remain available until September 30, 2014 <ul style="list-style-type: none"> Priority to intercity high speed rail projects US DOT Secretary has 60 days after enactment to present a strategic plan to Congress for use of the funds to deploy high speed passenger rail system Secretary has 120 days after enactment to issue guidance on grant competition State Rail Plan requirement is waived

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	<ul style="list-style-type: none"> - Federal share at option of recipient up to 100 percent - Wage rate laws apply - Buy America requirements apply o \$1.3 billion for AMTRAK <ul style="list-style-type: none"> - Funds remain available until September 30, 2010 - \$450 million set aside for capital security grants - \$845 million set aside for repair, rehabilitation and upgrades - Awarded within 30 days of enactment - Projects completed within 2 years of enactment - No more than 60 percent of the non-security funds may be used in the Northeast Corridor - \$5 million reserved for the AMTRAK Inspector General
Use It Or Lose It:	<ul style="list-style-type: none"> o No use it or lose it clause
AVIATION:	
Funding:	<ul style="list-style-type: none"> o \$1.3 Billion total o \$200 million for FAA infrastructure distributed as competitive grants o \$1.1 billion for discretionary grants to airports under the Grants in Aid program. o Priority to projects that can be completed in 2 years o Federal share is 100 percent o Prevailing wage rate law applies
Use It Or Lose:	<ul style="list-style-type: none"> o No use it or lose it clause.
OTHER:	
	<ul style="list-style-type: none"> o \$20 million to the Inspector General for audits and investigation in regard to the transportation provisions of the bill. o Recipients are required to report the following: <ul style="list-style-type: none"> - Amount of funds allocated, obligated, and outlayed - Number of projects put bid, awarded and completed along with the amount of funds associated with them - Number of direct on-project jobs created or sustained by the federal funds provided and if possible, indirect jobs created or sustained in supplying agencies including total increase in employment since the date enactment - Actual aggregate expenditures for projects eligible under the program as compared to planned expenditures for the period from enactment to September 30, 2010 - Reports due 90 days, 180 days, 1 year, 2 years, and 3 years after enactment - Grant recipients may ask FHWA, FTA, FRA and MARAD to prepare the reports on their behalf o Language in General provisions requires similar information on a quarterly basis within 10 days of the end of each quarter. o Creates an independent board with oversight and coordination responsibility for audits and fraud and waste prevention o Creates an advisory panel to advise on fraud, waste and abuse. Includes "whistle blower" protections
Maintenance of Effort:	<ul style="list-style-type: none"> o Governor has 30 days after enactment to certify that: <ul style="list-style-type: none"> - The State will maintain its effort in regard to State funding for the types of projects that are funded by the appropriation - Must submit a statement the amount of funds the State planned to expend on the types of projects from the date of enactment through September 30, 2010

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	<ul style="list-style-type: none">– If the State fails to maintain its effort it cannot receive redistributions under the August Redistribution for FFY 2011o Governor, mayor or appropriate Chief Executive is required to certify that the investment is appropriate and lawful
Buy America and Davis Bacon	<ul style="list-style-type: none">o Requires that all iron, steel and manufactured goods be produced in the USo Allows for waivers as follows:<ul style="list-style-type: none">– It is in the public interest– Items are not produced in US in sufficient or reasonably available quantities and quality– Inclusion of domestic materials would increase project cost by more than 25%– Waiver must be published in Federal Registero Davis Bacon prevailing wage applies
	<ul style="list-style-type: none">o \$100 million to the Maritime Administration for small shipyards.o \$2.075 billion for Army Corps of Engineers operations and maintenance activities, which includes dredging (funds derived from the Harbor Maintenance Trust Fund)